United States Department of Agriculture Food and Nutrition Service ◆ Food Distribution Division 3101 Park Center Drive − Room 500 Alexandria, VA 22302





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Please email any comments to the FDD Program Support Branch at:

Fdd-psb@fns.usda.gov



1. **Commodity Improvements:** USDA is committed to helping all program participants, particularly children and the elderly receive nutritious, healthful foods as recommended by the *2005 Dietary Guidelines for Americans* and the *MyPyramid* food guidance system.

We have been offering healthier commodities such as tuna canned in water, reduced fat bakery mix, whole wheat flour, reduced-fat processed cheese blend, canned fruits packed in juice or lite syrup, ground beef with no more than 15% fat, and 97% lean ham.

We are reviewing our commodities to determine what changes could be made, such as:

- Increasing whole grain offerings, such as whole grain spaghetti, macaroni, and quick-cook brown rice;
- Offering foods lower in saturated and *trans* fats and oils; and
- Lowering sodium in our commodities.
- 2. Schools and Institutions Commodity Fact Sheets: We continue to work on a major project to update the commodity fact sheets for schools. In the meantime, recipients have overwhelmingly requested us to provide the FNS commodity code on each fact sheet to assist them in matching the commodity fact sheets with the commodities ordered from USDA. In response, we developed a special commodity fact sheet report that includes the 4-digit commodity code on each of the more than 250 fact sheets developed for schools and institutions. Also included is a table of contents sorted by commodity code, commodity title, and food group. www.fns.usda.gov/fdd/facts/schfacts/NslpRptHome.htm.
- 3. **CSFP Elderly Food Package Changes**: As a result of recommendations made by a CSFP Elderly Food Package Review Team, changes to this food package were made in February 2005. The approved changes substitute: (1) mixed vegetables for creamed corn; (2) mixed fruit for fruit cocktail; (3) chili without beans for canned pork; and (4) bran flakes cereal for corn squares cereal. These changes help reduce the levels of cholesterol, total fat, saturated fat, carbohydrates, calories, and sodium in the food package.
- 4. Improvements to FDPIR Food Package: A workgroup made recommendations to make more healthful commodities available through the FDPIR food package. The improvements include reduced-fat cheese blend, which became available in July 2004; and whole wheat flour, canned turkey, canned kidney beans, and canned diced tomatoes, all of which were made available between September 2004 and March 2005. Overall, the changes will not increase the cost of the food package, but will provide significant nutritional improvements. Among other positive impacts, the



changes will reduce the amount of total fat, saturated fat, and cholesterol in the food package.

- **5. National Policy Database:** The Food Distribution Division has updated the website to make the National Policy Database more searchable. All policy memoranda are converted directly into the Adobe format, which allows the reader to search for information by keywords or phrases. This further enhances the accessibility to useful information about FDD programs.
- 6. Commercial Labels: USDA now allows commercial labels on all food items purchased for its school and household programs. Transitioning to commercial labels eliminates the stigma sometimes associated with the generic USDA label, as well as the misconception that USDA commodities are not of the same quality as commercially labeled foods. Vendors now have the option of using commercial labels on all USDA food purchases.
- 7. National Processing Agreements (NPA): The NPA was developed to standardize the commodity processing program and streamline operations for the State agency and processor, thereby increasing the opportunity for schools participating in the National School Lunch Program to benefit from expanded access to commodity processing.

A uniform national processing agreement is used along with a brief State participating agreement and a standard summary sheet of products available. FDD headquarters' staff approves all processing End Product Data Schedules, eliminating redundant review and approval by multiple State staff. FDD staff also review and hold the processor bond and monitor required bonding coverage, reducing cost and paperwork for processors. These changes allow State staff to spend more time providing technical assistance to schools that choose to process commodities.

NPA allows State distributing agencies and eligible recipient agencies to contract with commercial food processors to convert raw bulk USDA commodities into pre-cooked, ready-to-heat-and-serve items, prepared in HACCP-approved plants. In addition to minimizing food safety risks, portion sizes and formulations are subject to less variation than when meals are prepared by local staff. All of these factors translate into less labor for preparation at the school site, which may result in significant labor savings.

Processing can also turn "hard to use commodity offerings," such as nonfat dry milk, into end products that schools can more easily utilize, such as pizza and lasagna.

State distributing agencies and food processing companies have learned that working together is mutually beneficial to the food industry and program participants alike. That is, the program provides industry the opportunity to market its products while eligible States and recipient agencies have the



- opportunity to receive a wider variety of popular table-ready end products. www.fns.usda.gov/fdd/programs/national/.
- 8. Centralization of Food Orders: All food orders for Schools and Institutions are now being processed at the National Food Distribution headquarters. State agencies now place orders directly with the Food Ordering Customer Service (FOCUS) team. www.fns.usda.gov/fdd/focus/.
- **9. Training**: As a commitment to assure uniformity in disseminating program information and to more effectively reach out to all of its partners, the Food Distribution Division established a Commodity Program Training Coordinator. This person conducts training for various constituents in the commodity programs and coordinates educational presentations with national partner organizations such as the American Commodity Distribution Association and the School Nutrition Association.
 - <u>Processing Review Training for FNS Regions</u> Division staff held a three-day training session in the spring of 2004 for Regional Office staff that are charged with conducting Management Evaluations on State distributing agency processing operations.
 - <u>FD-101 Training for State Agency Staff</u> Division staff conducted a four-day training session for State Agency staff (three sessions in the fall of 2004, two sessions in the fall of 2005). The training was comprehensive, involving all aspects of State administration of commodity-based food assistance programs, covering operations, regulations, and policy related to both School Programs and Household Programs.
 - <u>ECOS for Processors</u> Division staff conducted a conference-call training session for processors in March 2005. Training covered registering in ECOS that can improve processors' access to commodity ordering information, USDA shipment schedules, recipient agency allocations, less-than-truckload requests for processing, as well as electronic receipting in ECOS.
 - <u>Complaint Protocol for FDPIR</u> Division staff conducted a conferencecall training session for Indian Tribal Organizations and Regional Office staff in September 2005 about managing commodity complaints in ECOS. Training focused on the newly implemented ECOS Complaint Module, the paper trail for multi-food shipments, and information required to improve vendor performance.
 - <u>CSFP Training</u> In February 2004, division staff held a CSFP training session at FNS Headquarters for new State agency staff. In March 2005, division staff conducted two CSFP-101 training sessions for Regional Office staff. In November of 2005, division staff conducted three CSFP-101 training sessions for State agency staff. All CSFP-101 training



sessions were conducted via conference calls, with a training guide disseminated to those participating prior to the calls. The training included the history of the CSFP, program regulations and policy, the caseload allocation process, the Electronic Commodity Ordering System, and the Food Programs Reporting System. State agency-specific training included caseload management best practices, as well as food ordering and inventory management best practices.

- <u>Recipient Agency Training</u> Division staff conducted presentations at several State meetings of school food service directors about commodity program history, commodity ordering timeframes, national processing, commodity complaint management, and the information available in ECOS.
- <u>SNA Commodity Track</u> Division staff and ACDA representatives took
 the initiative to expand the scope and emphasis of commodity sessions
 that are available during the School Nutrition Association Annual
 National Conference. SNA has scheduled a Commodity Track for ANC
 2006, which will incorporate 15 sessions covering all aspects of FDD
 programs for novices and those who seek more detail about processing,
 procurement, the DoD Fresh Fruit and Vegetable Program, and ECOS.

10. Information Technology – Electronic Commodity Ordering System (ECOS) Expansion:

- ECOS use expands beyond State Distributing Agencies The Electronic Commodity Ordering System (ECOS) is an internet-based system that all States now use to electronically submit commodity food orders to FNS. After piloting the system in Virginia, twelve states now use ECOS to some degree at the recipient agency level, primarily with schools. The system provides users with information on food availability, surveys, delivery order status, entitlement levels, transfers, commodity recalls, and complaints. Processors, distributors, and warehouses can now also register in ECOS and receipt for USDA shipments electronically.
- <u>ECOS Commodity Complaint Module</u> State Distributing Agencies are now able to enter commodity complaints into ECOS, track them through resolution, and analyze trends. The system is also accessible to AMS and FSA staffs that have a contractual relationship with vendors, and assists them in improving vendor performance.
- <u>ECOS Rapid Food Alert</u> ECOS provides the ability to rapidly notify States and other system users about potential food safety/bio-security alerts as well as holds and recalls. ECOS significantly improves notification times and will ultimately provide a record of receipt of such notification to the user level.



11. Disaster Assistance:

- Commodity Program Disaster Manual The Disaster Manual was completely revamped and published in August 2004, and updated in September 2005. The new manual outlines State, Regional Office, and FNS/FDD Headquarter roles in responding to a disaster. All parties reported the procedures were instrumental in effectuating the FNS/FDD timely response in providing commodities to emergency feeding agencies during the 2004 and 2005 hurricane seasons. In 2005, FDD managed the delivery of over 20 million pounds of food, valued at approximately \$14.7 million, for both congregate feeding and household distribution in response to Hurricanes Katrina, Rita and Wilma. www.fns.usda.gov/fdd/programs/fd-disasters/default.htm.
- Rapid Food Response System USDA has established a "Rapid Food Response System" that provides a nutritionally balanced offering of USDA commodities for disaster feeding when a disaster strikes. Under this initiative, seven geographically strategic States have signed a Memorandum of Understanding (MOU) with USDA which makes their inventories of USDA commodities available to other States for congregate feeding during Presidentially-declared disasters. These inventories are intended to supplement, not replace, the current disaster feeding efforts of nonprofit private and public groups. The commodities will provide a sound framework for allowing disaster feeding organizations to develop and prepare nutritious meals for disaster victims.
- **12. TEFAP Supplemental Assistance** –In April 2006, we allocated \$6 million in supplemental resources appropriated by Congress to address the consequences of the Gulf Coast hurricanes to the nine States that had at least 10,000 disaster applications (Louisiana, Mississippi, Alabama, Texas, Florida, Georgia, Tennessee, Arkansas, and California). These nine States had approximately 95 percent of all State disaster applicants. The supplemental resources were provided as commodity funds, but States were given the option of converting some of the resources to administrative funds (Louisiana and Mississippi decided to exercise this option). A total of \$5,023,766 in commodity funds and \$976,234 in administrative funds were provided to the States.